



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Division of Medicaid, Region VI

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October 18, 2002

Connie Wildman, SoonerRide Coordinator
State of Oklahoma Health Care Authority
Lincoln Plaza
4545 North Lincoln Boulevard, Suite 124
Oklahoma City, OK 73105-3413

Dear Ms. Wildman:

This is in regard to the State of Oklahoma's request for a 1915(b)(4) non-emergency transportation waiver. All waiver requests under section 1915(b) of the Act must document the cost-effectiveness of the project, its effect on beneficiary access to quality medical services, and its anticipated impact (42 CFR 431.55(b)(2)). We have concluded our initial review, identifying a number of unresolved issues. Before proceeding with the State's application, we ask for responses to the enclosed questions.

Many of our concerns pertain to the ability of the State to achieve cost savings in absence of proposed changes to the existing delivery system. The State may want to give further consideration to the following: negotiating a lower capitated rate with the Metropolitan Tulsa Transit Authority; creating efficiencies within the current system; or conducting business with private vendors who are willing to assume full risk. We welcome any approach that demonstrates cost-effectiveness. We also ask that the State re-evaluate costs without waiver using actual data from the SoonerRide program. The State should then use rates specified in the RFP to generate with waiver costs and determine overall program savings.

This letter has the effect of stopping the 90-day time frame for CMS to take action on the State's waiver request. A new 90-day time frame will begin when we receive the State's responses. The State should include revised waiver pages, where appropriate.



In order to properly review the waiver request in a timely manner, we ask that the State submit their responses by November 18, 2002. We welcome the opportunity to work with the State on this request and their waiver application more generally. Should you have any questions, please Mr. Ford Blunt at (214) 767-6381 or Ms. Jill Gotts in our Central Office at 410-786-2539.

Sincerely,

/s/

Andrew A. Fredrickson
Associate Regional Administrator
Division of Medicaid

Attachment
Cc: Dr. Lynn Mitchell